

1996
FORM
N-35
(REV. 1996)

STATE OF HAWAII—DEPARTMENT OF TAXATION

S CORPORATION INCOME TAX RETURN

For calendar year 1996 or other tax year

beginning • _____, 1996 and ending • _____, 19 _____

AMD	UNP	008	PNT	INT	
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• PRINT OR TYPE •	Name		Federal Employer I.D. No. •
	Dba or C/O		Hawaii G.E./Use I.D. No. •
	Address (number and street)		Business Code No. (Use number shown on federal Form 1120S) •
	City or town, State, and ZIP Code	Enter the number of Schedules NS attached to this return •	Date of federal election as an S corporation •

CAUTION: Include only trade or business income and expenses on lines 1a through 20. See Instructions for more information.

INCOME	1	a Gross receipts or sales \$•	b Less returns and allowances \$•	c Bal.▶	1c•		
	2	Cost of goods sold (Schedule A, line 8)			2•		
	3	Gross profit (line 1c minus line 2)			3		
	4	Net gain or (loss) from Schedule D-1, Part II, line 20 (attach Schedule D-1)			4•		
	5	Other income (see Instructions)(attach schedule).			5•		
	6	TOTAL income (loss) — Add lines 3 through 5 and enter here. ▶			6		
DEDUCTIONS	7	Compensation of officers			7		
	8	Salaries and wages (less employment credit)			8		
	9	Repairs and maintenance			9		
	10	Bad debts (see Instructions)			10		
	11	Rents			11		
	12	Taxes and licenses (attach schedule)			12		
	13	Deductible interest expense not claimed or reported elsewhere on return. (see Instructions)			13		
	14	a Depreciation from federal Form 4562	14a				
		b Less depreciation claimed on Schedule A and elsewhere on return	14b				
		c Enter line 14a minus line 14b			14c		
	15	Depletion (Do not deduct oil and gas depletion. See Instructions).			15		
	16	Advertising			16		
	17	Pension, profit-sharing, etc. plans			17		
	18	Employee benefit programs			18		
	19	Other deductions (attach schedule)			19		
20	TOTAL deductions — Add lines 7 through 19 and enter here. ▶			20•			
21	Ordinary income (loss) from trade or business activities — line 6 minus line 20 (To Sch. K, line 1)			21			
TAX & PAYMENTS	22	a Excess net passive income tax (attach schedule(s))	22a•				
		b Tax from Schedule D, line 28	22b•				
		c Number of N-4's attached is •. Amount due on N-4's attached	22c•				
		d Add lines 22a, 22b, and 22c			22d•		
	23	a 1995 overpayment allowed as a credit	23a•				
		b 1996 estimated tax payments from N-3 _____ N-288 _____	23b•				
		c Payments with extension (attach Form N-301)	23c•				
		d Add lines 23a, 23b, and 23c			23d•		
	24	Underpayment of estimated tax penalty. (see Instructions).			24•		
	25	OVERPAYMENT (If line 23d is larger than the total of lines 22d and 24), enter AMOUNT OVERPAID			25•		
	26	Enter amount of line 25 you want Credited to 1997 estimated tax ▶ 26a \$• _____ Refunded ▶			26b•		
27	TAX DUE (If the total of lines 22d and 24 is larger than line 23d) enter the amount due. Make payment by certified or cashier's check made payable to "Hawaii State Tax Collector."			27•			

DECLARATION

I declare, under the penalties set forth in section 231-36, HRS, that this return (including any accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is true, correct, and complete, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Please Sign Here

▶

Signature of officer

Date

Title

Paid Preparer's Information

Preparer's Signature ▶

Date

Check if self-employed ☐

Preparer's social security number

Firm's name (or yours if self-employed) and address ▶

Federal E.I. No. ▶
ZIP CODE ▶

Schedule A

Cost of Goods Sold (See Instructions for Schedule A)

1	Inventory at beginning of year	1		
2	Purchases	2		
3	Cost of labor	3		
4	Additional IRC section 263A costs (see federal Instructions and attach a schedule)	4		
5	Other costs (attach schedule)	5		
6	Total—Add lines 1 through 5. ➤	6		
7	Inventory at end of year	7		
8	Cost of goods sold—Line 6 minus line 7. (Enter here and on page 1, line 2) ➤	8		

9 a Check all methods used for valuing closing inventory:

(i) ☐ Cost

(ii) ☐ Lower of cost or market as described in IRC Regulations section 1.471-4 (see Instructions)

(iii) ☐ Writedown of "subnormal" goods as described in IRC Regulations section 1.471-2(c) (see Instructions)

(iv) ☐ Other (specify method used and attach explanation) ➤

b Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach federal Form 970) ☐

c If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO 9c

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d Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the corporation? ☐ Yes ☐ No

e Was there any change in determining quantities, cost or valuations between opening and closing inventory? ☐ Yes ☐ No

If "Yes," attach explanation.

Schedule B

Other Information

Designation of Tax Matters Person (See Instructions.)

Enter below the shareholder designated as the tax matters person (TMP) for the tax year of this return, if one has been designated:

Name of designated TMP ➤	Identifying number of TMP ➤
Address of designated TMP ➤	

Schedule K Shareholders' Share of Income, Credits, Deductions, etc. (See Instructions)

a. Distributive share items		b. Attributable to Hawaii		c. Attributable Elsewhere	
Income (Losses) and Deductions					
1	Ordinary income (loss) from trade or business activities (page 1, line 21)		1		
2	Net income (loss) from rental real estate activities (attach federal Form 8825)		2		
3 a	Gross income from other rental activities		3a		
b	Expenses from other rental activities(attach schedule)		3b		
c	Net income (loss) from other rental activities. Line 3a minus line 3b		3c		
4	Portfolio income (loss):				
a	Interest income		4a		
b	Dividend income		4b		
c	Royalty income		4c		
d	Net short-term capital gain (loss) (Schedule D (Form N-35))		4d		
e	Net long-term capital gain (loss) (Schedule D (Form N-35))		4e		
f	Other portfolio income (loss) (attach schedule)		4f		
5	Net gain (loss) under IRC section 1231 (other than due to casualty or theft) (attach Schedule D-1).		5		
6	Other income (loss) (attach schedule)		6		
Deductions					
7	Charitable contributions (attach schedule)		7		
8	IRC section 179 expense deduction (attach federal Form 4562)		8		
9	Deductions related to portfolio income (loss) (attach schedule) (see Instructions).		9		
10	Other deductions (attach schedule)		10		
Investment Interest					
11 a	Interest expense on investment debts paid or accrued in 1996		11a		
b (1)	Investment income included on lines 4a, 4b, 4c and 4f, above.		11b(1)		
(2)	Investment expenses included on line 9, above		11b(2)		
Credits					
12 a	Fuel Tax Credit for Commercial Fishers (attach Form N-163)		12a		
b	Total cost of property qualifying for the Capital Goods Excise Tax Credit (see Instructions) .		12b		
c	Credit for Energy Conservation (attach Form N-157).		12c		
d	Amounts needed to claim the Enterprise Zone Tax Credit (see Instructions)	See Instructions	12d		
e	Hawaii Low-Income Housing Tax Credit (attach Form N-586)				
(1)	From partnerships to which IRC section 42(j)(5) applies for property placed in service before 1990		12e(1)		
(2)	Other than on line 12e(1) for property placed in service before 1990		12e(2)		
(3)	From partnerships to which IRC section 42(j)(5) applies for property placed in service after 1989		12e(3)		
(4)	Other than on line 12e(3) for property placed in service after 1989		12e(4)		
f	Credit for Employment of Vocational Rehabilitation Referrals (attach Form N-884)		12f		
g	Hawaii income tax withheld on Forms N-288 (see Instructions).		12g		
h	Total Hawaii income tax withheld on Forms N-4		12h		
i	Net income tax paid by the S corporation to states which do not recognize the corporation's "S" status. Identify state(s)		12i		
Other Items (Attach a separate schedule if more space is needed for any item.)					
13	Total property distributions (including cash) other than dividend distributions reported on line 18, below. Date of Distribution		13		
14	Tax exempt interest income		14		
15	Other tax exempt income		15		
16	Non-deductible expenses.		16		
17	Other items and amounts not included on lines 1 through 16, above, that are required to be reported separately to shareholders (attach schedule)		17		
18	Total dividend distributions paid from accumulated earnings and profits		18		
19	Income (loss) — Combine lines 1 through 6. From the result, subtract the sum of lines 7 through 11.		19		
20	Corporate adjustments to income attributable to Hawaii (attach schedule)		20		
21	Interest penalty on early withdrawal of savings		21		

Schedules L, M-1, and M-2 Attach a copy of page 4 of federal Form 1120S to this return.

Schedule N **List of Shareholders** (Attach a separate sheet if more space is needed)

Name and Address	SSN or FEIN	No. of shares owned at all times during the year	State of Residence	Year Sch. NS filed, if any (Indicate if revoked)	Amount of Payment on Form N-4 attached
1					
2					
3					
4					
5					

Schedule O **Apportionment of Income (See Attributable to Hawaii in the Instructions.)**

1	Ordinary income (loss) from trade or business activities (From page 1, line 21)		
2	Apportionment factor (From Schedule P, line 8)		%
3	Business income apportioned to Hawaii (line 1 multiplied by line 2) (To Schedule K, line 1, col. b)		
4	Business income apportioned elsewhere (line 1 minus line 3).(To Schedule K, line 1, col. c)		
5	Are the the totals of columns b and c, Schedule K, lines 2 through 6, and the amounts shown on Schedule P, column B, the same as those reported in returns or reports to other states under the Uniform Division of Income for Tax Purposes Act?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	If "No", please explain		

Schedule P **Computation of Apportionment Factors (See Attributable to Hawaii in the Instructions.)**

Property — (use original cost)	In Hawaii		Total Everywhere	
	Beginning of taxable year	End of taxable year	Beginning of taxable year	End of taxable year
Land				
Buildings				
Inventories				
Leasehold interests*				
Rented Property*				
Other Property				
Total				

* Enter net annual rent X 8.

	A. In Hawaii	B. Everywhere	
1	Property values (average value of property above)		
2	Property factor (line 1, col. A divided by line 1, col. B)		%
3	Total compensation		
4	Payroll factor (line 3, col. A divided by line 3, col. B)		%
5	Total sales		
6	Sales factor (line 5, col. A divided by line 5, col. B)		%
7	Total of factors (add lines 2, 4, and 6)		%
8	Average of factors (divide line 7 by 3) (To Schedule O, line 2)		%